DPD-7196-59

20 October 1959

Dear Don:

25X1A

Confirming our telecon of 20 October 1959, regarding your letter dated October 20, 1959, subject: "Follow-On Program", it is requested that the following be submitted to this office:

- a. A detailed technical proposal.
- b. A cost proposal with a complete breakdown as to man-hours necessary to perform the program, overhead, materials, general and administrative expense and profit. The cost breakdown should be further broken down into program phases.
- c. Type of contract you consider appropriate to the program.

In connection with the Follow-on Program, you are not to proceed with work thereunder at this time. At such time as this program may be approved in this office, I will then advise you to proceed.

25X1A

It is understood that you will visit this office on Tuesday, 27 October 1959, for the purpose of discussing the follow-on program. The outstanding question concerning the close-out of Contract ST-505 will also be taken up at that time.

With reference to my statement that the proposed rate of expenditure for the follow-on program would be \$3,000 per month plus facilities, I was in error stating that this information had come from you. Instead, this was based on earlier statements from Phil and Gene.

Regards,

25X1A

Dan

DPD-DD/P: Distribution:

25X1A 1 - WG=0/3/

/1 - Chrono, DPD